



**Iowa Association of
Regional Councils**

Iowa Association of Regional Councils

March 17, 2009

To: Members of the Joint Economic Development Appropriations Subcommittee
Fr: M.J. Broomfield, President, Iowa Association of Regional Councils
Doug Elliott, Executive Director, East Central Iowa Council of Governments
Sharon Juon, Executive Director, Iowa Northland Regional Council of Governments

RE: Background Information on use of state COG Assistance Appropriation

Thank you in your interest in the issue of how Iowa's Council of Governments use their state COG assistance appropriation. The state of Iowa has provided financial assistance to the COGs since the early 1990s. Last year, this committee provided \$160,000 in funding from interest earned by the Values Fund, plus up to \$20,000 from loan repayments from the RC 2000 program.

This money was divided equally among each of Iowa's seventeen COGs, which amounts to roughly \$10,000 each to support our operations. In this past year we have seen the state's reliance upon COGs for service delivery expand greatly. From flood relief to general assistance to communities, our agencies are called upon to provide services to local governments that would otherwise not exist. While \$10,000 is far short of the cost of these services, these funds are needed to leverage federal and local dollars that allow for a far greater reach than the state's investment.

For instance, many COGs use their state assistance to meet match requirements necessary to receive \$50,000 grants from the federal Economic Development Administration. State dollars, along with dues paid by our local government members, are basically the only dollars COGs can tap into to leverage these federal dollars, thus making them very important to us.

As noted above, state and local governments receive a significant number of services from COGs. For example, several are using their COG assistance funds to work on the Jump Start program. Much work was done to set-up the program locally and process applications before any Jump Start administration funds were available. That time had to be paid for some way, or the work could not have been done. COG Assistance gave us the funds to do the work.

Additionally, COG assistance is used to help local communities in several other ways, including:

- Helping cities develop watershed improvements plans
- Assisting communities seeking assistance in applying for tax credits for downtown development
- Consulting communities on how to access several economic development funding programs related to business and industry expansions/start-ups in their area
- Helping a community with efforts to extend a sewer line to the new industrial park
- Assisting communities with brownfield development opportunities
- Preparing on behalf of communities, CDBG housing fund, water/sewer, and community services applications.

As you can see, these are services that are vital to helping our communities grow and prosper, especially during these difficult economic times. Your continued support of Iowa's Council of Governments through COG assistance funding will ensure that these services can continue to be offered.

Thank you for your support and interest in Iowa's Council of Governments.